

ILLINOIS REGISTER

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DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Electronic Filing of Returns or Other Documents
- 2) Code Citation: 86 Ill. Adm. Code 760
- 3) 

<u>Section Numbers:</u>	<u>Proposed Action:</u>
760.220	Amendment
760.240	Amendment
- 4) Statutory Authority: 20 ILCS 2505/2505-210
- 5) A Complete Description of the Subjects and Issues Involved: Provides that electronic payments of taxes and fees initiated on or before the due date are deemed timely by the Department of Revenue. Currently electronic payments of taxes or fees must be deposited as collected funds in the Department's account on or before the due date to be deemed timely.
- 6) Will this rulemaking replace an emergency rulemaking currently in effect: No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this rulemaking contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objective: This rulemaking does not create a State mandate, nor does it modify any existing State mandates.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to submit comments on this proposed rule may submit them in writing by no later than 45 days after publication of this notice to:

Samuel J. Moore  
Associate Counsel  
Illinois Department of Revenue  
Legal Services Office  
101 West Jefferson  
Springfield, Illinois 62702  
Phone: (217) 782-2844

- 12) Initial Regulatory Flexibility Analysis:

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- A) Types of small businesses, small municipalities and not for profit corporations affected: Any small business, small municipality, or not for profit corporation that makes electronic payment of taxes or fees to the Department of Revenue.
  - B) Reporting, bookkeeping or other procedures required for compliance: None
  - C) Types of professional skills necessary for compliance: None
- 13) Regulatory Agenda on which this rulemaking was summarized: July 2005

**Section 760.220    Electronic Payment Required**

- a) Taxpayers who voluntarily choose to electronically file returns and other documents with the Department under the provisions of this Part must make any required payments relating to those returns or documents through electronic means. The methods of electronic payment that can be utilized are as follows:
  - 1) Electronic payment by electronic funds transfer under the Electronic Funds Transfer Program described in 86 Ill. Adm. Code 750. Liquor tax participants that submit their return and schedules on approved magnetic media must utilize this method;
  - 2) Electronic payment by including payment data as part of an EDI 813 Electronic Filing of Tax Return Data transaction set (see Section 760.320 of this Part). This method is only available for sales tax participants; or
  - 3) Electronic payment by including payment data in an EDI 820 Payment Order/Remittance Advice transaction set (see Section 760.320 of this Part). This method is only available for sales tax participants;
  - 4) Electronic payment by including payment data as part of the electronic transmission of the return and schedule data; or
  - 5) Electronic payment by including payment data in an electronic transmission that is separate from the return and schedule transmission.
- b) Regardless of the electronic payment method selected, taxpayers must complete and submit Form EFT-1, Authorization Agreement for Electronic Funds Transfer, as part of the electronic filing enrollment process, along with the appropriate electronic filing enrollment form. This is required unless a participant is already enrolled to make payments in the Department's Electronic Funds Transfer Program for the returns or

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other documents listed in Section 760.100(c) or (d) of this Part. Form EFT-1 must be completed and submitted with the appropriate enrollment form for electronic filing.

- e) ~~Taxpayers making electronic payments must initiate the transfer so that the amount due is deposited as collected funds to the Department's account on or before the due date under the appropriate tax Act. Taxpayers are reminded that the provisions of Section 1.25 of the Statute on Statutes [5 ILCS 70/1.25] do not apply to payments made by electronic means as those payments are not transmitted by mail.~~

(Source: Amended at 30 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 760.240 Due Dates and Date Received

- a) When the statutory due date for filing a return and other document or making payment with the Department falls on a weekend or a banking holiday observed by the State of Illinois, the Department will accept the electronic return or other document and the payment on the next business day. Electronic filers are responsible for timely initiating the transaction to assure the return and other document is received by, ~~and the funds made available to,~~ the Department on the day following the weekend or banking holiday.
- b) Taxpayers making electronic payments under this Part must initiate the payment on or before the due date under the appropriate tax Act and request a payment date no later than the due date or, if a payment date of the due date is unavailable, then no later than the next available business day after the due date. For the payment to be deemed timely by the Department, the transfer must be initiated on or before the due date and must result in the amount due being deposited as collected funds to the Department's account, even if that deposit occurs after the due date. When the statutory due date for filing or payment is the next day following a weekend or observed banking holiday, electronic filers are responsible for initiating the transaction prior to or on the last business day before the weekend or banking holiday, to assure the return and other document is received by, and the payment made available to, the Department by the due date.
- c) The receipt date of the electronic transmission will constitute the receipt date of the electronic return or other document ~~(except debit authorization)~~ if the transmission is acknowledged as accepted, or accepted with error, with a detailed acknowledgment from the Department as provided in Section 760.310. Any return or other document, including debit authorization, acknowledged as rejected with a functional or detailed acknowledgment will be considered not filed. The receipt date of the electronic

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transmission will be when the telephone transmission ends for participants transmitting directly to the Department.

- d) ~~The receipt date for electronic payment~~ Payment by debit authorization included in the electronic return will be considered timely if all of the following conditions are met:

- 1) The receipt date of the electronic return in which the EFT debit payment is included is timely under subsection c) above;
- 2) The EFT debit payment date requested is no later than the due date or, if a payment date of the due date is unavailable, then no later than the next available business day after the due date; and
- 3) A confirmation number for the EFT debit is received in the acknowledgment from the Department indicating that it was accepted in the same electronic transmission as the return filing.

~~the date the payment is actually deposited as collected funds to the Department's account.~~

- e) Failure to receive a confirmation number for a debit authorization in the acknowledgment from the Department means that the payment was not accepted for processing, although the return may be acknowledged as accepted or accepted with error.

- f)e) In the case where a taxpayer submits a return or other document on approved magnetic media in accordance with this Part, Section 1.25 of the Statute on Statutes [5 ILCS 70/1.25], which provides that a return or other document transmitted through the United States mail is deemed filed with or received by the State on the date shown by the post office cancellation mark stamped upon the envelope or other wrapper containing it, applies only to the receipt of the return filed on diskette or other approved magnetic media.

- g) If a Taxpayer is required to file a return or other document or to remit a tax payment through an electronic transmission but instead files the return or other document or makes the payment by mail, the provisions of Section 1.25 of the Statute on Statutes [5 ILCS 70/1.25] do not apply to the return or other document filed or the payment made by mail. In this instance, the return or other document must be received by the Department or the amount due must be deposited as collected funds to the Department's account on or before the due date under the appropriate tax Act in order for the return or other document or the payment to be considered timely by the Department.

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(Source: Amended at 30 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)